

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

HB 1495 – SB 1676

February 1, 2018

SUMMARY OF BILL: Eliminates the requirement in which a student must be a Tennessee resident for one year to be eligible for a Dual Enrollment Grant (DEG). Requires that a student must be a Tennessee resident on the date of application for a DEG or for the renewal of a DEG.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures – Exceeds \$166,300/Lottery for Education Account

Other Fiscal Impact – Recurring funding in an amount estimated to exceed \$166,300 will not be available for transfer from the Lottery for Education Account to the Tennessee Promise Special Reserve Account.

Assumptions:

- Pursuant to Tenn. Code Ann. § 49-4-930, students applying for a DEG must meet the requirement of being a Tennessee resident for at least one year immediately preceding the date of application for a DEG or for the renewal of a DEG.
- Passage of the proposed legislation would eliminate the requirement in which a student must be a Tennessee resident for one year to be eligible for a DEG.
- Students are currently awarded \$500 per course for the first two courses and \$200 for the third course. The DEG award must not exceed \$1,200 per academic year for each DEG student.
- Based on information provided by the Tennessee Student's Assistance Corporation, the number of additional students that will qualify annually for DEG awards is estimated to be at least 242.
- The average award amount is estimated to be \$687 per student.
- The recurring increase in state expenditures from the Lottery for Education Account as a result of eliminating the one-year residency requirement is estimated to exceed \$166,254 (242 minimum students x \$687).

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in dark ink that reads "Krista M. Lee". The signature is written in a cursive, flowing style.

Krista M. Lee, Executive Director

/rbp